



MCS
c/o Gemserv Ltd
10 Fenchurch Street
London EC3M 3BE

To all MCS-certificated Companies.

9th March 2011

Dear Sir / Madam,

Re: MCS Scheme progress and funding

This letter is to update you on activities MCS is currently engaged in, and to advise of some changes to the way that MCS is financed.

As you probably know, MCS as a Scheme has of late been going from strength to strength. In the past year, particularly since the introduction of Feed-in Tariffs, we have seen the market grow substantially. At the beginning of 2010 we had around 300 MCS-certificated Installer companies, and in the time since that number has grown to almost 1,900. We have also gone from around 400 certificated products to over 1,800.

MCS works to keep the Installer and Product standards fit for purpose, facilitating industry-led workshops and consultations to make sure the voices of the industry are being heard. We lobby Government to ensure that MCS is core to plans around FIT, the Green Deal and the forthcoming Renewable Heat Incentive. We market the brand at conferences and trade shows, and we're planning a big push over the next 18 months towards raising consumer awareness of the brand too. We provide a website, as well as year-round telephone and email helpdesk. All of this is done not only to protect the consumer, but also to ensure that our certificated installers and manufacturers can see the benefits from being involved with MCS.

We are also working with Government and with the MCS Steering Group to establish MCS itself as an independent company, increasing its transparency and its accountability to you, the certificated companies.

MCS is not-for-profit, and is funded from the annual certification fees paid by manufacturers and installation companies, as well as by a charge levied 'per installation'. Those charges have not changed in two years, and unfortunately have not been sufficient to fund MCS's activities to date. As such the MCS Steering Group has approved their revision. These revisions are to ensure that MCS is properly self-financing, so that it is in a strong position to support the industry for years to come.

The annual installer certification fee is rising from the current £100 to £110. The revised fee will apply to all new certifications from 1st April 2011, as well as any existing certification whose anniversary falls on or after 1st April 2011.

The current fee per installation is to rise from £5 to £15. To facilitate its collection, the MCS Installation Database will from 1st April 2011 have an additional feature whereby an installer can purchase credits via Paypal, which are then used up as a certificate is created each time a job is registered.

Fees for certificated products are rising by between £25 and £75 per certificated technology, with the new fee structure as follows:

- £425 pa for the first technology certificated;
- £325 pa for the second technology certificated;
- £225 pa for the third technology certificated; and
- £125 pa for each technology certificated thereafter.

These revisions have not been implemented lightly. They have been delayed as long as possible to give the current fees a chance to work. However, the revisions are unavoidable if the Scheme is to continue. To re-iterate, the Scheme is not-for-profit, so if the changes result in it consistently running a surplus, the Steering Group can revise the charges downwards again.

We recognise that the above changes represent notable percentage rises over the current fees, but equally we hope you will agree that in monetary terms the amounts involved are relatively insignificant, especially when compared to the revenue involved in the average MCS transaction.

If you would like to discuss any aspect of the fees, you can contact your Certification Body, or alternatively get in touch with the MCS Helpdesk, whose details are provided below. I should emphasise however that neither the Certification Bodies nor the Helpdesk can entertain appeals against the fees, as this was a decision taken jointly by the members of the MCS Steering Group.



Thank you for your continued involvement with the Scheme – it is the involvement of installers and product manufacturers that makes the Scheme what it is.

Kind regards,

Brendan McGarry
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